

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2420

To amend title XIX of the Social Security Act to require health maintenance organizations and other managed care plans providing medical assistance to medicaid beneficiaries to make payments for assistance provided to such beneficiaries by school-based health centers, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 1995

Ms. VELÁZQUEZ introduced the following bill; which was referred to the  
Committee on Commerce

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## A BILL

To amend title XIX of the Social Security Act to require health maintenance organizations and other managed care plans providing medical assistance to medicaid beneficiaries to make payments for assistance provided to such beneficiaries by school-based health centers, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. REQUIRING MEDICAID HEALTH MAINTENANCE**  
2 **ORGANIZATIONS TO MAKE PAYMENTS FOR**  
3 **SERVICES PROVIDED BY SCHOOL-BASED**  
4 **HEALTH CENTERS.**

5 (a) IN GENERAL.—Section 1903(m)(2)(A) of the  
6 Social Security Act (42 U.S.C. 1396b(m)(2)(A)) is  
7 amended—

8 (1) by striking “and” at the end of clause (x);

9 (2) by striking the period at the end of clause  
10 (xi) and inserting “; and”; and

11 (3) by adding at the end the following new  
12 clause:

13 “(xii) such contract provides that—

14 “(I) the entity’s network of participating  
15 providers of such services shall include at least  
16 one school-based health center (as defined in  
17 section 1905(t)), or

18 “(II) the entity shall enter into a contract  
19 for the provision of such services to such indi-  
20 viduals with each school-based health center (as  
21 so defined) located in the entity’s service area,  
22 under terms and conditions (including terms  
23 and conditions relating to patient referrals and  
24 the sharing of patient records) similar to those  
25 applicable to a contract between the entity and  
26 a similar provider of such services in the area

1 (in accordance with standards established by  
2 the Secretary).”.

3 (b) SCHOOL-BASED HEALTH CENTERS DE-  
4 SCRIBED.—Section 1905 of such Act (42 U.S.C. 1396d)  
5 is amended by adding at the end the following new sub-  
6 section:

7 “(t) The term ‘school-based health center’ means a  
8 clinic which is located at an elementary or secondary  
9 school and which—

10 “(1) provides physical examinations, injury  
11 treatment, primary health services, mental health  
12 services, and other services (to the extent permitted  
13 under the laws or regulations of the State in which  
14 it is located) on an on-site basis to students enrolled  
15 at the school (without regard to whether or not the  
16 students are enrolled in the State plan under this  
17 title);

18 “(2) refers students to other providers of health  
19 care services for services which the center does not  
20 provide on-site;

21 “(3) has entered into arrangements with other  
22 providers of health care services providing services  
23 on a 24-hour, emergency basis;

24 “(4) has on its staff at least one physician  
25 (whether employed on a part-time or full-time basis);

1 at least one physician assistant, nurse practitioner,  
2 or clinical nurse specialist; and at least one mental  
3 health professional; and

4 “(5) is approved or certified as such a clinic by  
5 the State in which it is located.”.

6 (c) PROHIBITION AGAINST WAIVER OF REQUIRE-  
7 MENT.—The Secretary of Health and Human Services  
8 may not waive (pursuant to section 1115 or section 1915  
9 of the Social Security Act or otherwise) the application  
10 of section 1903(m)(2)(A)(xii) of the Social Security Act  
11 (as added by subsection (a)) with respect to any State.

12 (d) EFFECTIVE DATE.—The amendments made by  
13 subsections (a) and (b) shall apply to quarters beginning  
14 on or after January 1, 1996.

15 **SEC. 2. ESTABLISHMENT OF CLEARINGHOUSE FOR INFOR-**  
16 **MATION AND TECHNICAL ASSISTANCE ON**  
17 **SCHOOL-BASED HEALTH CENTERS.**

18 Not later than March 1, 1996, the Secretary of  
19 Health and Human Services shall establish a clearing-  
20 house through which interested parties may receive infor-  
21 mation and technical assistance on the establishment and  
22 operation of school-based health centers.

1 **SEC. 3. GRANTS FOR SCHOOL-BASED HEALTH CENTERS.**

2 (a) IN GENERAL.—Part D of title III of the Public  
3 Health Service Act (42 U.S.C. 254b et seq.) is amended  
4 by adding at the end the following section:

5 “SCHOOL-BASED HEALTH CENTERS

6 “SEC. 340E. (a) IN GENERAL.—

7 “(1) IN GENERAL.—The Secretary may make  
8 grants to public and nonprofit private entities for  
9 the purpose of making available to school children  
10 the health services specified in subsection (d) at sites  
11 that are on or in close proximity to the premises of  
12 a school (or at such other sites as the Secretary de-  
13 termines to be appropriate to provide school children  
14 with access to the services).

15 “(2) SCHOOL CHILDREN.—For purposes of this  
16 section, the term ‘school children’ means individuals  
17 between the ages of 3 and 18 (inclusive).

18 “(b) MINIMUM QUALIFICATIONS FOR GRANTEES.—

19 “(1) STATUS AS MEDICAID PROVIDER.—

20 “(A) Except as provided in subparagraph  
21 (B), the Secretary may make a grant under  
22 subsection (a) only if the applicant for the  
23 grant is a provider of services under the State  
24 plan approved for the State involved under title  
25 XIX of the Social Security Act.

1           “(B) The requirements established in sub-  
2           paragraph (A) do not apply to an applicant that  
3           provides health services without charge and  
4           does not receive reimbursement for the services  
5           from any third-party payors.

6           “(2) REQUIRED CONSULTATIONS REGARDING  
7           PARENTS AND TEACHERS.—The Secretary may  
8           make a grant under subsection (a) only if the appli-  
9           cant involved, in preparing the application under  
10          subsection (j), has consulted with parents in the  
11          community in which services under the grant are to  
12          be provided, with teachers at schools in the commu-  
13          nity, and with the local educational agency with ju-  
14          risdiction over such schools.

15          “(c) PREFERENCES IN MAKING GRANTS.—In making  
16          grants under subsection (a), the Secretary shall give pref-  
17          erence to qualified applicants that are experienced in deliv-  
18          ering health care services to medically underserved popu-  
19          lations or in areas in which a significant number of chil-  
20          dren are at risk for health problems.

21          “(d) AUTHORIZED SERVICES.—

22                 “(1) IN GENERAL.—The Secretary may make a  
23          grant under subsection (a) only if the applicant in-  
24          volved agrees as follows:

1           “(A) Each of the following services will be  
2           made available under the grant (as medically  
3           appropriate for the child involved):

4                   “(i) Comprehensive health examina-  
5                   tions.

6                   “(ii) Health education and prevention  
7                   services, including prenatal care.

8                   “(iii) Follow-up care and referrals re-  
9                   garding routine health problems.

10           “(B) Services under subparagraph (A) will  
11           include screenings, follow-up care, and referrals  
12           (including referrals for specialty care) regarding  
13           dental, vision, and hearing services, and regard-  
14           ing sexually-transmitted diseases and other  
15           communicable diseases.

16           “(2) OPTION REGARDING FAMILY PLANNING  
17           SERVICES.—A grantee under subsection (a) may, at  
18           the option of the grantee, expend the grant under  
19           such subsection to provide voluntary family planning  
20           services. The Secretary may not require as a condi-  
21           tion of the receipt of a grant under subsection (a)  
22           that an applicant for the grant agree to provide such  
23           services.

24           “(3) OTHER SERVICES.—In addition to services  
25           specified in any of paragraphs (1) and (2), the Sec-

1       retary may authorize a grantee under subsection (a)  
2       to expend the grant for such additional health or  
3       health-related services for school children as the Sec-  
4       retary determines to be appropriate.

5           “(4) AVAILABILITY THROUGHOUT YEAR.—The  
6       Secretary may make a grant under subsection (a)  
7       only if the applicant involved agrees that services  
8       under the grant will be available throughout the year  
9       (including any portion of the year during which the  
10      school does not hold classes).

11          “(e) CULTURAL CONTEXT OF SERVICES.—The Sec-  
12      retary may make a grant under subsection (a) only if the  
13      applicant involved agrees that services under the grant will  
14      be provided in the language and cultural context most ap-  
15      propriate for the individuals to whom the services are pro-  
16      vided.

17          “(f) LIMITATION ON IMPOSITION OF FEES FOR  
18      SERVICES.—The Secretary may make a grant under sub-  
19      section (a) only if the applicant involved agrees that, if  
20      a fee is imposed for the provision of services under the  
21      grant, such fee—

22           “(1) will be made according to a schedule of  
23      fees that is made available to the public;

24           “(2) will be adjusted to reflect the income and  
25      resources of the school-children involved; and



1           “(3) will not be imposed on any school child  
2           with an income of less than 150 percent of the appli-  
3           cable official poverty line (established by the Direc-  
4           tor of the Office of Management and Budget and re-  
5           vised by the Secretary in accordance with section  
6           673(2) of the Omnibus Budget Reconciliation Act of  
7           1981).

8           “(g) MATCHING FUNDS.—

9           “(1) IN GENERAL.—With respect to the costs of  
10          the program to be carried out under subsection (a)  
11          by an applicant, the Secretary, subject to paragraph  
12          (3), may make a grant under such subsection only  
13          if the applicant agrees to make available (directly or  
14          through donations from public or private entities)  
15          non-Federal contributions toward such costs in an  
16          amount that is—

17               “(A) for the first fiscal year for which the  
18               applicant receives such a grant, 10 percent of  
19               such costs;

20               “(B) for any second such fiscal year, 25  
21               percent of such costs; and

22               “(C) for any subsequent such fiscal year,  
23               50 percent of such costs.

24           “(2) DETERMINATION OF AMOUNT CONTRIB-  
25          UTED.—Non-Federal contributions required in para-

1 graph (1) may be in cash or in kind, fairly evalu-  
2 ated, including plant, equipment, or services.  
3 Amounts provided by the Federal Government, or  
4 services assisted or subsidized to any significant ex-  
5 tent by the Federal Government, may not be in-  
6 cluded in determining the amount of such non-Fed-  
7 eral contributions.

8 “(3) WAIVER.—The Secretary may for an ap-  
9 plicant waive the requirement of paragraph (1) for  
10 a fiscal year if the Secretary determines that the ap-  
11 plicant will be unable to carry out a program under  
12 subsection (a) otherwise. If the Secretary provides a  
13 waiver under the preceding sentence for a grantee  
14 under subsection (a) for a fiscal year, the Secretary  
15 may make a grant to the applicant for the following  
16 fiscal year only if the Secretary reviews the waiver  
17 to determine whether the waiver should remain in  
18 effect.

19 “(h) ADDITIONAL AGREEMENTS.—The Secretary  
20 may make a grant under subsection (a) only if the appli-  
21 cant involved agrees as follows:

22 “(1) The applicant will maintain the confiden-  
23 tiality of patient records.

1           “(2) The applicant will establish an ongoing  
2           quality assurance program regarding services pro-  
3           vided under the grant.

4           “(3) The applicant will not expend more than  
5           10 percent of the grant for administrative expenses  
6           regarding the grant.

7           “(i) REPORTS TO SECRETARY.—The Secretary may  
8           make a grant under subsection (a) only if the applicant  
9           agrees that, not later than February 1 of the fiscal year  
10          following the fiscal year for which the grant is to be made,  
11          the applicant will submit to the Secretary a report describ-  
12          ing the program carried out by the applicant under the  
13          grant, including provisions on the utilization, cost, and  
14          outcome of services provided under the grant.

15          “(j) APPLICATION FOR GRANT; PLAN.—The Sec-  
16          retary may make a grant under subsection (a) only if an  
17          application for the grant is submitted to the Secretary;  
18          the application contains a plan describing the proposal of  
19          the applicant for a program under subsection (a); and the  
20          application is in such form, is made in such manner, and  
21          contains such agreements, assurances, and information as  
22          the Secretary determines to be necessary to carry out this  
23          section.

24          “(k) EVALUATION OF PROGRAMS.—The Secretary,  
25          directly or through grants or contracts, shall provide for

1 evaluations of programs carried out under subsection (a),  
2 including the cost-effectiveness and health-effectiveness of  
3 the programs.

4 “(l) REPORTS TO CONGRESS.—Not later than May  
5 31 of each fiscal year, the Secretary shall submit to the  
6 Congress a report on the programs carried out under sub-  
7 section (a). The report shall include a summary of the  
8 evaluations carried out under subsection (k) for the pre-  
9 ceding fiscal year.

10 “(m) AUTHORIZATION OF APPROPRIATIONS.—For  
11 the purpose of carrying out this section, there is author-  
12 ized to be appropriated \$100,000,000 for fiscal year 1996,  
13 \$275,000,000 for fiscal year 1997, \$350,000,000 for fis-  
14 cal year 1998, and \$400,000,000 for each of the fiscal  
15 years 1999 and 2000.”.

16 (b) CONFORMING AMENDMENT.—Part D of title III  
17 of the Public Health Service Act (42 U.S.C 254b et seq.),  
18 as amended by section 104 of Public Law 103–183 (107  
19 Stat. 2230), is amended in the heading for subpart VIII  
20 by striking “Bulk” and all that follows and inserting the  
21 following: “Miscellaneous Provisions Regarding Primary  
22 Health Care”.

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